



County of San Bernardino

F A S

CONTRACT TRANSMITTAL

FOR COUNTY USE ONLY

<input checked="" type="checkbox"/> New <input type="checkbox"/> Change <input type="checkbox"/> Cancel	Vendor Code	SC	Dent. TTX	A	Contract Number
County Department Treasurer-Tax Collector		Dept. TTX	Orgn. TTX	Contractor's License No.	
County Department Contract Representative Mark Mathers		Telephone 387-6372		Total Contract Amount \$15,000.00	
Contract Type <input type="checkbox"/> Revenue <input type="checkbox"/> Encumbered <input checked="" type="checkbox"/> Unencumbered <input type="checkbox"/> Other:					
If not encumbered or revenue contract type, provide reason: <u>paid for from TRAN proceeds</u>					
Commodity Code		Contract Start Date	Contract End Date	Original Amount	Amendment Amount
Fund	Dept.	Organization	Appr.	Obj/Rev Source	GRC/PROJ/JOB No. Amount
Fund	Dept.	Organization	Appr.	Obj/Rev Source	GRC/PROJ/JOB No. Amount
Fund	Dept.	Organization	Appr.	Obj/Rev Source	GRC/PROJ/JOB No. Amount
Project Name 2003-04 Tax and Revenue Anticipation Notes			Estimated Payment Total by Fiscal Year		
			FY	Amount	I/D

CONTRACTOR Sidley Austin Brown & Wood LLP

Federal ID No. or Social Security No. 36-2158694

Contractor's Representative Dave Sanchez, Esq.

Address 555 California Street, San Francisco, CA 94104-1715 Phone (415) 772-1200

Nature of Contract: *(Briefly describe the general terms of the contract)*

DISCLOSURE COUNSEL AGREEMENT FOR THE ISSUANCE AND SALE OF TAX AND REVEUE ANTICIPATION FOR FISCAL YEAR 2003-04.

THIS IS NOT A CONTRACT  
THIS IS A COVER  
TRANSMITTAL ONLY

*(Attach this transmittal to all contracts not prepared on the "Standard Contract" form.)*

Approved as to Legal Form (sign in blue ink)

Reviewed as to Contract Compliance

Presented to BOS for Signature

Auditor/Controller-Recorder Use Only

<input type="checkbox"/> Contract Database	<input type="checkbox"/> FAS
Input Date	Keyed By

<div>▶</div> <div>County Counsel</div> <div>Date</div>	<div>▶</div> <div></div> <div>Date</div>	<div>▶</div> <div>Department Head</div> <div>Date</div>
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<b>Auditor/Controller-Recorder Use Only</b>	
<input type="checkbox"/> Contract Database	<input type="checkbox"/> FAS
Input Date	Keyed By

# SIDLEY AUSTIN BROWN & WOOD LLP

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SINGAPORE  
TOKYO

May 5, 2003

Mr. Mark Mathers  
County of San Bernardino  
172 West Third Street, First Floor  
San Bernardino, CA 92415-0360

Re: **County of San Bernardino  
2003-2004  
Tax and Revenue Anticipation Notes**

Dear Mark:

We are pleased that you have asked Sidley Austin Brown & Wood LLP to serve as disclosure counsel for the above-referenced financing.

As you know, we like other large firms, now follow the practice of entering into engagement letters with our clients. Letters such as these serve the general purpose of setting forth the ground rules for our engagement. In addition, they address certain specific matters that are required to be set forth in writing by, or relate to rules of, the bar associations and other regulatory bodies under which we practice. Accordingly, we submit for your approval the following provisions governing our engagement. If you are in agreement, please sign the enclosed copy of this letter in the space provided below. If you have any questions about these provisions, or if you would like to discuss possible modifications, do not hesitate to call. Again, we are pleased to have the opportunity to serve you.

1. Client; Scope of Representation. Our client in this matter will be the County of San Bernardino (the "County") and we will advise the County as disclosure counsel in connection with, and the scope of our engagement and duties to the County for purposes of this engagement letter shall relate solely to, the issuance of tax and revenue anticipation notes ("TRANS") as outlined below in greater detail. You may limit or expand the scope of our representation from time to time, provided that any substantial expansion must be agreed to by us.

In connection with the representation, our Firm shall perform the following legal services:

- (a) Consultation with representatives of the County, Quint & Thimmig LLP (the "Bond Counsel") and Tamalpais Advisors, Inc. (the "Financial Advisor"), and others with respect to the terms and legal structure of the TRANs.
- (b) Review of the Official Statement and Continuing Disclosure Certificate.
- (c) Attendance at such meetings of the County's governing board and working group meetings or conference calls as the County may request.
- (d) Rendering of the customary disclosure counsel opinion to the purchasers of the notes.

Our Firm and the County each acknowledge that the County has county counsel to render day-to-day and ongoing legal services to the County. Our Firm shall coordinate its services with such counsel to the extent requested by the County.

Our services are limited to those specifically set forth above. Our services do not include representation of the County or any other party to the transaction in any litigation or other legal or administrative proceeding involving any of the TRANs or any related matter. Additionally, our services do not include any responsibility for the preparation or content of the documents, to be adopted or entered into by the County that are required for the authorization, sale, and issuance of the TRANs or the preparation of final closing papers required to effect delivery of the TRANs or the coordination of the TRANs closing. Our services also do not include any responsibility for compliance with state blue sky, environmental, land use, public contracting, real estate or similar laws or for title to or perfection of security interests in real or personal property. Our services do not include any financial advice or analysis (which services are performed by the Financial Advisor).

The role of disclosure counsel, generally, is to review the official statement, private placement memorandum or other disclosure document related to the TRANs and to provide an expert legal opinion with respect to such disclosure document.

2. Term of Engagement. Either of us may terminate the engagement at any time for any reason by written notice, subject on our part to applicable rules of professional responsibility. In the event that we terminate the engagement, we will take such steps as are reasonably practicable to protect your interests in the above matter.

Unless previously terminated, our representation of the County will terminate upon the issuance of the TRANs; provided that the County shall remain liable for any unpaid compensation or

reimbursement due under Section 3 hereof. Following such termination, any otherwise nonpublic information you have supplied to us which is retained by us will be kept confidential in accordance with applicable rules of professional responsibility. If, upon such termination, you wish to have any documents delivered to you, please advise us. Otherwise, all such documents will be transferred to the person responsible for administering our records retention program. For various reasons, including the minimization of unnecessary storage expenses, we reserve the right to destroy or otherwise dispose of any such documents retained by us.

In the event of termination of the representation by the County, our Firm shall be paid for all work at its usual hourly rates, unless the termination is made for cause, in which event compensation, if any, shall be adjusted in the light of the particular facts and circumstances involved in the termination.

You are engaging Sidley Austin Brown & Wood LLP to provide legal services in connection with the specific representation as set forth above. After completion of the representation, changes may occur in the applicable laws or regulations that could have an impact upon your future rights and liabilities. Unless you actually engage us after the completion of the representation to provide additional advice on issues arising from the representation, Sidley Austin Brown & Wood LLP has no continuing obligation to advise you with respect to future legal developments.

Fees and Expenses. The Firm shall be compensated for the foregoing services as disclosure counsel with a fee of \$15,000.

We will also include on our bills charges for performing services such as photocopying, messenger and delivery service, computerized research, travel, long-distance telephone, telecopy, word processing, and search and filing fees.

Fees and expenses shall be payable by the County upon issuance of the TRANs. Payment of all fees and expenses hereunder is contingent upon issuance of the TRANs

3. Conflicts. The County acknowledges that our Firm regularly performs legal services for many private and public entities in connection with a wide variety of matters. For example, our Firm has represented, is representing or may in the future represent other public entities, underwriters, trustees, rating agencies, insurers, credit enhancement providers, lenders, contractors, suppliers, financial and other consultants/advisors, accountants, investment providers/brokers, providers/brokers of derivative products and others who may have a role or interest in the TRANs or that may be involved with or adverse to the County in this or some other matter. Our Firm agrees not to represent any such entity in connection with the TRANs, without the consent of the County. Given the special, limited role of disclosure counsel described above, the County acknowledges that no conflict of interest exists or would exist, and waives any conflict of interest that might appear actually or potentially to exist, now or in the future, by virtue of this engagement letter or any such other attorney-client relationship that our

Firm may have had, have or enter into, and the County specifically consent to any and all such relationships.

Once again, we are pleased to have this opportunity to work with you. If you have any questions or comments during the course of our representation, please call me at (213) 896-6083.

Very truly yours,

Mary Neale

AGREED TO AND ACCEPTED:

COUNTY OF SAN BERNARDINO

By: \_\_\_\_\_